

Higher Education System in a Globalising Economy of India: Question of Equity, Efficiency and Sustainability

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Abstract : This paper examines the present status of higher education in India in the context of the avowed objectives of equity, quality and efficiency. It highlights the implementation gap in education in the context of allocation and avowed objectives and also the nature of inequalities (sex, caste, religion, region and income class wise) in the higher education system. We find that although relative cross-time performance in higher education in respect of enrolment reveals buoyancy, the absolute performance is rather bleak in a populous country like ours. In fact we find a tremendous inconsistency between the ends and means in the declared policies coupled with a large implementation gap between the avowed objectives and the reality. Surprisingly the draft 11th plan document of GOI also recognizes the persistence of inequity and lack of quality in higher education.

Further, we find a sharp sex, caste, religion and income class wise inequalities in higher education such that the inequality in higher education persists at a higher degree both across castes and religions within each economic stratum and also across economic class within each caste and religion structure.

Interestingly, the inter-state disparity in the enrolment of female in higher education is found to be very high relative to that of male and we also find an increasing tendency of it, albeit the average enrolment of female in higher education reveals an increasing tendency coupled with the falling trend of the same for male during the period of reform.

Now given the allocation pattern we also find that higher education system in India is at the cross roads, with the Govt. having her inclination and intention towards privatization of education system especially the higher education in the era of globalization so that the objectives of equity, quality, efficiency, accessibility and also the sustainability become a distant dream.

Key-words : Higher education system; literacy rate; elementary education; inequality; quality; allocation of resources.

I. Introduction

It is an undisputed fact that education as an important component of human capital plays a crucial role not only in the socio-economic and political development of a society but also on the economic growth of an economy. Apart from this, education helps generating moral values within a human being which has immense social benefit also. Moreover, one can't deny the empowerment value of education such that an educated person can easily overcome the vulnerability and marginalization in modern society. So the spread of education helps

overcoming traditional inequalities of caste class and gender just as the removal of these inequalities contributes to the spread of education. The dialectical relation between education and social change is also widely recognised (Dreze & Sen, 2002).

On the other hand, the role of human capital consisting of its two components viz. education and health in cross-country differential in economic growth has also been widely recognised (Barro, 1991; Mankiew, Romer and Weil, 1992; Ghosal, 2002, 2006)

Parallely, it is well known that we are living in the era of globalisation such that there has been a wide spread deregulation in trade, investment and finance across the countries in the world. As a fall out, there is free cross country mobility of not only the corporate capital, but also the technology, knowledge and so the production and allocation decisions in all sectors including the social sector are left to the market mechanism. We are also globalising our economy. Now during the on-going process of globalisation, the role and importance of education especially the higher education coupled with higher level of technical and vocational education for the realization of the benefits of market are increasing tremendously day by day. Since with the globalisation, the economies in the world are gradually integrating with the world economy so as to achieve competitive efficiency in respect of allocation of resources and productivity, in which case higher education has a crucial role, the process of the creation of employment opportunities and its nature is also being globalised. Now to compete with the economies in the world in view of sharing the benefits of market economy a rapid break through in Indian education system, keeping in mind its quantity, quality and equity seems to be quint-essential especially during the new millennium. This needs immediate change in the education policy which we inherited from British imperialist and the policies towards the allocation of resources for making Indian education system especially the higher education system competitive and efficient relative to global level.

But it is well known that market can't do the justice. From the conventional theoretical wisdom on welfare maximisation we know that any competitive equilibrium is Pareto efficient (by first theorem on welfare) but the second theorem shows that any Pareto efficient allocation is competitive equilibrium for some set of prices and initial distribution of resources. So the question of equity is separated from efficiency by the second theorem. Thus socially optimum allocation can be sustained through competitive equilibrium provided the initial distribution of resources be appropriately fixed. So the question is: who will fix the initial distribution for sustaining social optimum allocation. Now since market can't do justice and there is complementarity between private investment and public investment in education, for efficiency and equity in the education system, government should come forward with large chunk of investment in education. This in turn will automatically raise private investment in education also.

Surprisingly Indian education system is concerned so far, we find that the goal of providing free and compulsory education for all children upto age of 14 year with 10 years as laid down in the Article 45 of the Constitution of independent India and the allocation of 6% of GDP

to education as recommended by Kothari Commission in 1966 still remain a distant dream. Rather our planners repeat this goal in the plan after plan. Even the 11th plan lives in the hope of achieving the former goal within 2010 and the Common minimum programme of UPA Govt. emphasises the phasewise expenditure on education for achieving the latter goal. (Draft 11th Five Year Plan document). Astonishingly, we expend only 3.5% of our GDP in education, and Higher Education shares only 0.6% of total plan expenditure on education. So there is high degree of inconsistency between the ends and means in education policies of GOI. Further, India spends between 0.6% and 0.8% on R&D. It is also surprising that in a globalising economy only 8% of people in relevant age group go to university educations. Ironically, the overall literacy rate in our country is only 65.4%, in 2001 with 75.9% for male and 54.2% for female. Further, there are so many divides in education system viz. the rural-urban divide, sex, caste and regional divides etc.

Now given these elusive proclamation and deplorable state of achievement and allocation, how can one expect the equity, accessibility and quality of higher education system so that our higher education system becomes competitive at the global level? In fact, our higher education system is at the cross-road now. Under this backdrop this paper examines the question of equity, efficiency and sustainability in Indian higher education system. This paper is structured as follows. Section II presents a brief review of the achievement of Indian education system in the content of avowed objectives. Sections III examines the nature of inequality in higher education system by concentrating on sex, caste, rural-urban and regional divides.

Section IV highlights whether Indian higher education is at the cross roads and finally Section V gives policy implications and concluding remarks.

2. A Brief Review of Indian Education System and its Achievements.

It is an undeniable fact that Indian education system has some historical inheritance of colonial legacy such that we are yet to disentangle our education policy as well as the system from the imperialistic education policy of British imperialist, who was strategically unwilling to accord priority to upper primary, adult and higher education. There is no controversy on the fact that colonial education policy was formed in such a way that only some pretty clerks could be produced. Even whatever little higher education system was introduced during the colonial period, was owed to British model (Singh, 2006). It is interesting to note that while establishing the first three Universities (viz. Bombay, Madras & Calcutta in 1857), we follow the model of University of London and the act of these Universities was formulated in 1857 by following University of London. But what is surprising is that even after the elapse of more than one and half a century we have failed to leave imperialist model by evolving out a suitable higher education System which should be consistent with the changing requirement of our country as well as of the global economy.

Now so far as Indian education system in the post independence period in concerned three

distinct feature can be observed. First, there is tremendous inconsistency between end and means in the education policies adopted from time to time. Second, there is high degree of inequality across sex, caste, religion and regions not only in the higher education system but also in the entire education system of India.

Third, there is large gap between the avowed objectives and reality Fourth, Indian education system especially the higher education system is at the cross-roads.

Now starting with the avowed objective of provision of elementary education to all children up to 14 years of age by 1960 in Article 45 of our constitution, we have now fixed the objective of Universalisation of secondary education in the Draft 11th Five year plan document which is preceded by Sarva Siksha Abhijan (Draft 11th plan Document, GOI). But all these targets remain elusive and even the draft 11th plan document fixes the first target to be achieved by 2010. In fact, what we find is the straight forward recapitulation of same objective plan after plan such that the realisation remains a distant dream. On the other hand, so far resource allocation for realisation of the avowed objectives is concerned. We have formed several National levels Education Commission from time to time (Kothari Commission 1966, Tapas Majumder Committee Year 1972 etc.). So right from the beginning of the suggestion of allocation of 6% of GDP to education (Kothari Commission) which has been claimed as not ambitious one by the latter commission, we have reached the stage of phase wise allocation for fulfilling the 6% allocation goal and to the imposition of 2% education cess on all Central taxes in the common minimum programme of UPA Govt. Of all these, only the last one is being implemented recently. So far the reality is concerned; presently we allocate only 3.5% of GDP to education and 0.6% of total plan expenditure on higher education and between 0.6% and 0.8% to R&D. Another striking and conspicuous feature which is highly pernicious and act as obstacle towards the achievement of the goal of equity, affordability and quality of higher education system in India has been the persuasion of second track of education viz. the appointment of para-teachers or Sikha Karmi, Contract teacher introduction of distant education system self financing courses etc. in the name of fiscal austerity due to economic reform.

Now let us see in detail what the data on allocation and achievement do tell us. **Table-1** gives an overview on the trend in public expenditure on education. Three distinct features are discernable from the table. First expenditure as percentage of GDP has indeed increased over the period from 0.64% in 1950-51 to 3.49% in 2004-05. However what is surprising is that the continuous increasing trend in the expenditure on education up to 2000-01 has been reversed from 2001-02, nevertheless there is a burgeoning requirement of allocation for fulfilling the avowed objectives. Secondly the expenditure on education as percentage of total budget has indeed in increase from 7.92% in 1951-52 to 12.27% in 2004-05. But there is wide fluctuation in this allocation. Thirdly, the real per-capita education expenditure has revealed an increasing trend from Rs 49.00 in 1951-52 to Rs. 509 in 2000-01 which in followed by a declining trend thereafter reaching the figure of Rs 498 in 2003-04.

Table 1 : Public Expenditure on Education in India during 1951-52 to 2004-5

Year	Percent of GDP	Percentage of Budget	Per Capita (Rs.) At 1993-4 Price
1950-1	0.64	7.92	49.00
1960-1	1.48	11.99	123.00
1970-1	2.31	15.10	124.00
1980-1	3.08	13.48	186.00
1990-1	4.07	13.97	329.00
2000-1	4.26	12.23	509.50
2001-2	3.82	10.80	470.34
2002-3	3.97	12.60	494.89
2003-4*	3.74	12.31	498.89
2004-5+	3.49	12.27	—

Sources : Based on selected Educational Statistics : Analysis of Budgeted Expenditure on Education, Census of India, and EPWRF (2003). Also in : India Social Development Report, 2006, P. 43 (OUP, New Delhi). *Revised Estimate +Budget Estimate

On the other hand **Table-2** gives an overview of Sectoral break-up of plan expenditure on education over different plan periods. It is evident from the table that total expenditure on education as percentage of total plan expenditure reveals a tremendous fluctuating pattern ranging from a maximum of 7.86% in first Five year plan to a minimum of 2.70% in sixth five year plan. Secondly, it follows that the share of elementary education dominates in total education expenditure, such that it continues to fall from 4.3% in the first plan to 0.8% up to the sixth plan and again followed by a rising trend (not remarkably) from 1.3% in seventh plan to 3.2% in 9th plan. What is surprising is that the share of elementary education is abysmally low and highly inconsistent with the goal of achieving universalisation of elementary education. Thirdly, the share of secondary education also remains abysmally low ranging from 0.4% in Fifth plan to 1.2% in 4th plan. Finally, the Table-2 clearly indicates a deplorable picture of allocation to higher education plan after plan and in 10th Plan; it constitutes only 0.6% of total expenditure. **Having said this how one can reconcile between the allocation pattern and the golden dream of competitive, equitable and quality higher education system in the era of globalization. What is a major source of disenchantment in this context is that we can now expend gradually increasing proportion (11%) of our total plan expenditure on a nonproductive defense sector, while we express niggardliness in spending on education which forms both moral and economic backbone of our economy.**

It is well known that higher education is a cumulative outcome of education process. So the question of equity, accessibility and quality of the same is related to the vertically lower levels (i.e. secondary and primary levels). Actually enrolment in higher education depends on cumulative retention of schooling throughout pre-tertiary levels. Let's examine the nitty gritty

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on the reality pertaining to status of education in our country. **Table-3** presents an overview on the progress of literacy rates for age group (6+) and its rural-urban and sex wise disparity. It is evident that the overall literacy rate has increased from 43.6% in 1981, to 52.2% to 1991 and further to 65.4% in 2001. So it is a matter of disgrace on the part of our nation that still we have 34.6% illiterate population with a significantly higher drop out (i.e. 31% in 2003-04) in the primary level. Further we find a sharp rural-urban divide in the literacy rate with 80.1% of urban population and 59.2% of rural population being literate. On the other hand, the sex disparity in literacy rate is also conspicuous with 75.9% of male and 54.2% of female are literate now. **Table-4** gives an idea about the trend in gross enrolment ratio in elementary and higher secondary education since independence. In the table, we find a tremendous sex disparity at elementary and higher secondary enrolment and it is increasing over the period.

Table 2 : Expenditure on Education in the Five Years Plans (as percent of Total Expenditure in the Five Year Plans)

	Total Education	Elementary	Secondary	Higher
First Five Year Plan	7.86	4.3	1.0	0.7
Second Five Year Plan	5.83	2.0	1.1	1.0
Third Five Year Plan	6.87	2.3	1.2	1.0
Fourth Five Year Plan	5.17	1.5	0.9	1.2
Fifth Five Year Plan	3.27	0.8	0.4	0.5
Sixth Five Year Plan	2.70	0.8	0.7	0.5
Seventh Five Year Plan	3.55	1.3	0.8	0.5
Eight Five Year Plan	4.50	2.1	0.8	0.3
Ninth Five Year Plan	6.23	3.2	1.1	0.5

Sources : Five Year Plan Documents.

Table 3 : Progress of Literacy in India (Age 6+)

		Percentage Point Change				
		1981	1991	2001	1981-91	1991-2001
Rural	Male	49.7	57.8	71.2	16.29	23.18
	Female	21.8	30.3	46.6	38.99	53.79
	Total	36.1	44.5	59.2	23.6	33.03
Urban	Male	76.8	81.0	86.4	54.6	6.66
	Female	56.4	63.9	73.0	13.29	14.24
	Total	67.3	73.1	80.1	8.61	9.57
Total	Male	56.5	64.2	75.9	13.12	18.22
	Female	29.8	39.2	54.2	31.54	38.26
	Total	43.6	52.2	65.4	19.72	25.28

Sources : Various Census Reports of India

Table : 4 Trends in Gross Enrolment Ratio in Elementary Education in India

Years	Primary (I-V)		Upper Primary (VI-VIII)		Elementary (I-VIII)		Secondary	
	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls
1950-1	60.6	24.8	20.6	4.6	46.4	17.7	—	—
1960-1	82.6	41.4	33.2	11.3	65.2	30.9	16.7	4.1
1970-1	95.5	60.5	46.5	20.8	75.5	44.4	27.1	10.2
1980-1	95.8	64.1	54.3	28.6	82.2	52.1	23.1	11.1
1990-1	114.0	85.5	76.6	47.0	100.0	70.8	33.9	10.3
2000-1	104.9	85.9	66.7	49.9	90.3	72.4	—	—
2001-2*	105.3	86.9	67.8	57.1	90.7	82.4	38.2	27.7

Sources : Selected Educational Statistics : A Handbook of Educational and Allied Statistics and Education in India, Vol. 1. Also in : Social Development Report, 2006 P. 83. * Provisional

On the other hand **Table-5** presents an overview of the caste and religion wise literacy rate (at 7+age) and the proportion of the population who completes the various higher level of education. It follows that the Hindus dominate in respect of both the literacy and the completion of primary, middle, secondary, higher secondary, graduation and technical diplomas which is followed by Muslims and SC, ST. So there is still a sharp religion wise and caste wise divide in the educational attainment in India, albeit, the declared objective were the equity and the provision of elementary education to all up to 14 years of in our constitution. So we find a fragile state of education and a large implementation gap. On the other hand so far as the regional disparity in education is concerned **Table-6**, presents data on the cross-state literacy rates over the period from 1981-2001. Although there is buoyancy regarding the fact that all the states have experienced an increase in their literacy rate over the period, the proportions of illiterate person, in the states excepting Kerala are not very low. **The time profile of co-efficient of variation reveals that the inter-state disparity in literacy rates is not very high and it is gradually decreasing.**

Table 5 : Literacy (7+) and Percentages of those who completed at least the Relevant Higher levels of education (%)

	Literacy Rate	Percentage who completed at least					
		Primary	Middle Secondary	Higher Secondary	Technical	Graduates	Diploma
All Religious	64.8	52.3	32.9	21.0	10.5	5.5	5.0
Muslims	59.1	44.4	24.2	13.6	6.0	2.7	2.5
Hindu (including SCs/STs)	65.1	52.7	33.4	21.4	10.9	5.7	5.2
Hindu (excluding SCs/STs)	70.5	59.1	38.9	25.8	13.4	7.2	6.6
SCs	54.7	40.2	22.1	11.7	5.1	2.2	2.0
STs	47.1	30.8	16.2	8.5	3.6	1.5	1.3

Sources : Census 2001

Table . 6 : Progress of Literacy at the inter-state level during 1981-2001 (%)

STATE	1981	1991	2001
AP	35.66	44.09	61.11
Assam	42.05	52.89	64.28
Bihar	32.05	38.48	47.53
Gujrat	52.21	61.29	66.43
Haryana	43.88	55.85	68.59
Karnataka	46.21	56.04	67.04
Kerala	81.56	89.81	90.92
MP	36.63	44.2	64.08
Maharashtra	55.83	64.87	77.27
Orissa	40.97	49.09	63.61
Punjab	48.17	58.51	69.95
Rajasthan	30.11	38.55	61.03
Tamil Nadu	54.39	62.66	75.47
UP	33.35	41.6	57.36
WB	48.65	57.7	69.22
India	43.57	52.21	65.2
CV(per cent)	28.35	24.18	14.45

Source : Various Census Reports

3. Inequalities in Higher Education

This section highlights the nature of inequalities in higher education system in India. The inequalities in Higher Education may take different forms viz. the gender inequality, caste, religion and income class rise inequality and also the rural-urban and regional disparities. The **Table-7** gives an overview of the sex wise disparity in the higher education during the 90's. So far as the graduation level (general) education is concerned it is found that while the total enrolment of students has become almost doubled (97.87% increase) from 3.29 million in 1990-91 to 6.51 million in 1999-2000, the technical and medical education, graduation level enrolment has increased by 50% and 75% respectively over the period. On the other hand, the enrolments in the postgraduate and higher degree beyond the P. G. level have increased by 57.14% and 66.66% respectively. **Surprisingly, although the relative performance in respect of enrolment in higher education reveals buoyancy, the absolute performance in the higher education is rather bleak in a highly populous country like ours.** Moreover the **Table-b7** also bring out the fact that there is tremendous gender disparity in respect enrolment in higher education with the conspicuous domination of male population. The most important explanations as we have already stated in Section-II, might be the socio-economic hindrances on the part

of the female, the spillover effect of inequity from the pre-tertiary level and the inadequacy of higher education structure etc. There are two myths pertaining to the gender disparity in education. The first one is the economic unworthiness of women education and the second is the indifference of the people about female education. (Dreze & Sen, 2002).

Table 7 : Enrolment of Men and Women at Higher levels of Education. (in million)

Level	1990-91			1999-2000			% increase over the period
	Women	Men	Total	Women	Men	Total	
Graduate (B.A./B.Sc./B.Com.)	1.14 (34.7)	2.25 (6.53)	3.29	2.66 (40.9)	3.85 (59.1)	6.51	97.87
Post Graduate (M.A./M.Sc./M.Com.)	0.12 (32.8)	0.23 (61.2)	0.35	0.22 (39.6)	0.33 (60.4)	0.55	57.14
Ph.D./D.Sc./D.Phil	0.01 (26.2)	0.02 (73.8)	0.03	0.02 (35.4)	0.03 (64.6)	0.05	66.6
B.E./B.Sc./Eng./ Architecture	0.03 (10.9)	0.21 (89.1)	0.24	0.08 (22.0)	0.28 (78.0)	0.36	50.00
H.B.B.S.	0.03 (34.3)	0.05 (65.7)	0.08	0.05 (37.8)	0.09 (62.2)	0.14	75.0

Source : Selected Educational Statistics, Relevant years, Ministry of Human Resources Development.

Note : Figures within parentheses indicate percentage to total.

On the other hand, the caste, religion and income class wise disparity in higher education is concerned so far, the **Table-8** gives the relevant information on the stock of human resource with post graduate and professional degree holders for the year 2004.

The table clearly brings out the following fact. First there is a conspicuous gender disparity in the attainment of higher education and this persists across income stratum also. It follows that for the all classes 3.4% of men are highly educated where a only 1.4% of female are highly educated. Secondly, as we move along the income ladder from rich to very poor start we find that the proportion of highly educated goes down sharply especially amongst the lower three strata. Thirdly, as we move along the caste hierarchy from Hindu upper caste to OBC, SC, ST and Muslims and Christian, the proportion of highly educated persons falls steadily and gender gap or disparity rises excepting for Christian. Infact gender gap within each caste and community rises excepting for Christian with larger gender gap in the weaker section of social hierarchy viz. for SC, ST and OBC etc. **On the whole, it can be said that the inequity in the attainment of higher education persists at higher degree both across caste and community within each economic strata and also across economic classes within each caste and religion hierarchy.** On the other hand, the **Table-9** clearly brings out the fact that there

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is a tremendous rural-urban disparity in the attainment of higher education with 15.5% of urban population being graduates while only 2.6% of rural population possesses graduate degree. Further, this sharp rural-urban disparity in attaining higher education also persists both across religions and castes.

Table 8 : Percent of Postgraduates and Professional Degree Holders by Caste/Community, Class and Gender

	All Classes	Rich	Middle	Lower Middle	Poor	Very Poor	N
All Caste Communities	All	2.5	8.1	6.8	1.6	0.8	26829
	Men	3.4	9.8	9.1	2.2	1.2	14345
	Women	1.4	5.8	3.9	0.8	0.4	12484
Hindu Dwija Upper Caste	All	5.6	13.6	8.8	2.7	1.7	4148
	Men	7.4	17.8	10.3	3.9	2.7	2230
	Women	3.5	8.3	7.3	1.4	0.3	1918
Hindu and Sikh Intermediary Caste (Non-durija, Non-OBC)	All	2.8	6.2	4.6	0.7	1.2	2521
	Men	3.5	7.3	5.8	1.2	0.9	1361
	Women	2.0	4.8	3.4	0.0	2.2	1160
OBC (Hindu & Sikh)	All	1.8	5.8	6.6	1.1	0.7	9505
	Men	2.7	6.2	10.1	1.6	1.3	5020
	Women	0.8	5.2	1.9	0.4	0.1	4485
SC (Army Region)	All	1.4	4.2	8.0	1.6	0.5	4278
	Men	2.1	2.3	11.7	2.8	0.7	2287
	Women	0.6	5.0	2.6	0.2	0.2	1991
ST (Ary Region)	All	0.9	1.9	6.1	1.4	0.6	2181
	Men	1.3	3.3	10.0	1.6	0.3	1185
	Women	0.5	0.0	1.8	1.1	0.5	996
Muslims	All	1.8	7.1	4.0	1.5	0.3	2963
	Men	2.5	10.1	6.0	1.2	0.5	1638
	Women	0.9	1.7	1.6	2.0	0.00	1327
Christian	All	3.3	13.2	7.8	1.8	0.8	302
	Men	3.0	(11.1)	5.7	3.3	1.5	302
	Women	3.7	15.0	9.5	0.0	0.0	328

Note : All figures are for percent of respondents belonging to a category who report having a Post-graduate or Professional Degree. Figure based on less than 50 cases have been put within parentheses. Class categories are based on a combination at self-reported data on income and observed date on possession of assets.

Source: National Election Study, 2004; CSDS Data unit. Data is weighted by state population. Also in article of Satish Despande, Yogendra Yadav, EPW, June 17-23, 2006, Vol. XLI No. 24, Page 2421)

Table-9 Inequalities in Higher Education : 1999-2000 (% age of Graduate in population aged 20 years and above)

Castes/Communities	Rural India	Urban India
ST	1.1	10.9
SC	1.2	4.7
Muslim	1.3	6.1
Hindu-OBC	2.1	8.6
Sikh	2.8	25.0
Christian	4.7	23.7
Hindu-Upper Caste	5.3	25.3
Other Religion	5.4	31.5
All India Average	2.6	15.5

Source : Computed from NSSO 55th Round Survey, 1999-2000, also in article of Satish Deshpande, Yogendra Yadav - EPW, June 17-23, 2006, Vol. 24, Page 2421.

The important scenario which comes out from table is that there is that sharp disparity in the overall enrolment in higher education across the states. However, in almost all the states the number of student enrolled in higher education has increased in varying degrees during 90's. Secondly, the enrolment ratio for female has been found to be remarkably low both across the states and time. Thirdly, the average enrolment ratio for female has been found to increase from 37.74% in 1993-94 to 39.67% in 2000-2001 while that for male reveals a declining tendency. Finally, the table clearly brings out the fact that the inter state disparity in the enrolment in higher education for female (as measured by co-efficient of variation) is high relative to that of male and it is increasing over the period. The main explanations seem to be the lack of social mobility, spillover effect of pre-tertiary education, lack of socio-economic freedom of women etc.

4 : Is Indian Education System at the cross-roads?

It is well recognized that with the adoption of policy of globalisation we are also integrating our economy with the world or global economy in view of achieving competitive efficiency in respect of allocation of resources and productivity. As a fall out, there have been several reforms including the social sector reform. In fact, we are gradually tending towards market fundamentalism even if the conventional theoretical wisdom on social welfare maximisation suggests that market can't do justice. Of course the economic reform has led to fiscal austerity.

Now so far as the inter-state disparity in the higher education in India is concerned the Table-10 gives us information on

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Table-10 : Enrolment (No.) In Higher Education (Graduate Level and above) In Indian States during 1993-94 to 2000-201

States	1993-1994			2000-2001		
	Male	Female	Total	Male	Female	Total
Andhra Pradesh	120266 (51.83)	111764 (48.17)	232030	331491 (60.50)	216469 (39.50)	547960
Arunachal Pradesh	2436 (77.7)	699 (22.3)	3135	3027 (67)	1495 (33)	4522
Assam	75483 (63.65)	43098 (36.35)	118581	100764 (58)	72771 (42)	173535
Bihar	35611 (83.72)	69267 (16.28)	425378	333644 (78)	93768 (22)	427412
Gujrat	179131 (57)	134916 (43)	314047	212178 (52.54)	161602 (47.48)	403780
Haryana	77375 (62.77)	45890 (37.33)	123265	109762 (57)	2792 (43)	192554
Himachal Pradesh	23072 (71.40)	9237 (28.59)	32309	42580 (56.40)	32915 (43.60)	75495
Jammu & Kashmir	16072 (51.37)	15215 (48.63)	31287	23344 (51.72)	21787 (48.28)	45131
Karnataka	202446 (63.66)	117074 (36.64)	31950	192643 (55.85)	152299 (44.15)	344942
Madhya Pradesh	205527 (68)	96598 (32)	302125	224854 (61)	143753 (39)	36807
Maharastra	432383 (60)	287680 (40)	720263	526369 (56.21)	410085 (43.79)	936454
Orissa	97469 (63.73)	55476 (36.27)	152945	176962 (63.30)	102562 (36.70)	279524
Punjab	74161 (44.78)	80882 (52.22)	155043	868001 (44.72)	107291 (55.28)	194092
Rajasthan	106864 (72.05)	41450 (27.95)	148314	168119 (64.39)	93013 (35.61)	261132
Tamil Nadu	167029 (57.79)	121971 (42.21)	289000	22898 (50)	228755 (50)	457653
Uttar Pradesh	472228 (71.39)	189262 (28.61)	661490	590277 (62.30)	357274 (37.70)	947551
West Bengal	186506 (61.95)	114588 (38.05)	301064	327212 (60)	218038 (40)	545250
All India	3051374 (64.05)	712357 (34.95)	4763731	4127853 (58.58)	2918121 (41.42)	7045974
CV	18.37	30.31		15.44	33.19	

Source : Statistical abstract of various years. Figures in brackets are % of total sexwise enrolment in higher education (graduate level and above) for the two points of time i.e. for 1993-94 and 2000-2001.

Now our education policy during the ongoing process of globalisation is concerned so far, it is well recognised that the policy is gradually being biased towards marketisation of education system especially the higher education system. This is also vividly reflected not only in the introduction of distant higher education system, the self financed courses in higher education, employment of Para-teachers/Siksha karmis, Contract teachers and Part-time teachers at the higher education level etc. but also in the allocation pattern of expenditure on education. This is highly pernicious to the quality, affordability and equity in education. The nature of the trend in the privatization of education (up to higher secondary level) is reflected in the Table-11.

Table-11 : Growth in Private Schools in India (Percent of Total Number of School)

Year	Primary			Upper Primary			Higher Secondary		
	Govt. aided	Private unaided	Total	Govt. aided	Private unaided	Total	Govt. aided	Private unaided	Total
1973-4	5.01	1.64	6.65	17.75	4.67	22.42	57.02	5.59	62.61
1978-9	4.42	1.59	6.01	16.90	4.66	21.56	57.30	3.55	60.85
1986-7	4.34	2.57	6.91	16.30	8.58	24.88	44.79	9.99	54.78
1993-4	3.78	4.12	7.90	9.53	11.02	20.55	37.78	15.17	52.95
1996-7	3.34	5.00	8.34	10.25	14.20	24.45	36.20	18.10	54.30
2001-2	3.07	6.01	9.08	7.81	15.77	23.58	33.99	23.56	57.55

Source : Selected Educational Statistics: 2001-02. Also in: India-Social Development Report, 2006, P. 45

It is quite obvious from the table that the proportions of private unaided schools at the primary, upper primary, secondary and higher secondary have been increasing tremendously since 1986-87. Conversely, the proportions of government-aided schools at each level of school education remain almost stagnant or even show a declining tendency during the period of reform. This is clearly an indication of inclination towards privatization. So obviously the question of equity, accessibility and quality will remain a distant dream.

5 : Concluding Remarks :

This paper examines the present status of higher education in India in the context of the avowed objectives of equity, quality and efficiency. Since higher education is a cumulative outcome of vertically lower levels of education system such that there is strong spillover effect of equity, and quality of pre-tertiary level of education, the question of equity, quality and efficiency of higher education can not be independent of that prevailing at the vertically bottom levels. So any analysis of the nitty gritty on higher education system must be preceded by a brief analysis of the status of primary and secondary education also.

This paper highlights the implementation gap in education in the context of allocation and avowed objectives and also the nature of inequalities (sex, caste, religion, region and income class wise) in the higher education system. We find that although relative cross-time performance in higher education in respect of enrolment reveals buoyancy, the absolute performance is rather bleak in a populous country like ours. In fact we find a tremendous inconsistency between the ends and means in the declared policies coupled with a large implementation gap between the

avowed objectives and the reality. Actually there has been a continuous recapitulation of same objectives plan after plan and in different reports of various commission as well as national policies on education without any positive attempt to rectify the loopholes. Surprisingly even after 59 years of independence the less ambitious objective of provision of universalisation of free elementary education to all children up to 14 years of age (Article 45 of constitution of India) and the allocation of 6% of GDP to education are reiterated in the draft 11th plan document of GOI with the recognition of inequity and lack of quality in higher education.

We find a sharp sex, caste, religion and income class wise inequalities in higher education. In fact the women are highly deprived of having accessibility not only to the primary and secondary levels of education but also to the higher levels of education due to different socio economic factors. It is found that the inequality in higher education persists at a higher degree both across castes and religions within each economic stratum and also across economic class within each caste and religion structure.

Interestingly, the inter-state disparity in the enrolment of female in higher education is found to be very high relative to that of male and we also find an increasing tendency of it, albeit the average enrolment of female in higher education reveals an increasing tendency coupled with the falling trend of the same for male during the period of reform.

Now given the allocation pattern we also find that higher education system in India is at the cross roads, with the Govt. having her inclination and intention towards privatization of education system especially the higher education in the era of globalization so that the objectives of equity, quality, efficiency, accessibility and also the sustainability become a distant dream. Since the corporate sector benefits most from high quality of human resources embodied with higher education, the cost of higher education may partly be raised by imposing higher rate of taxes on this sector along with the flat rate of 2% cess on non-corporate sectors.

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Exploring Leadership Style: A Study of Some Selected Indian Organizations

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Abstract : This paper explores the leadership style necessary for a learning organization for managing change. It explores the differences in leadership style in the manufacturing sector and the service sector so far as the large Indian organizations are concerned. Leadership style component has been assumed to have a number of items, such as shared vision, attitude of leaders, collaborative efforts, shared power, type of decision-making, leadership role, emotional intelligence, and personality type of leaders. The relationships between of these items and the leadership style as a whole have been interpreted by working out coefficient of correlation. A test of significance with respect to each such item has been done. It has been found that the service sector is slightly ahead of the manufacturing sector, but the overall result shows that, by and large, the Indian organizations are far away from achieving a perfect leadership style, necessary for becoming a learning organization.

Keywords : Learning organization; leadership style; shared vision; attitude of leaders; collaborative efforts; shared power; type of decision-making; leadership role; emotional intelligence; personality type of leaders.

Introduction

Change : A Dominant Feature of Modern Business Environment

Today's business environment is dominated by some speedy forces of change like globalization, information technology and knowledge economy. The management academics and practitioners are working on for decades to develop mechanisms for adapting to this changing environment. Senge (1990) in MIT first introduced the concept of *learning organization* as a process of adapting to change.

Learning Organization : Role in Managing Change

Learning organization is one that continuously adapts itself to changes. It sees changes as opportunities as it can envisage future trends and equip itself to face them. To manage changes, this type of organization learns as a whole. It not only learns for the moment but it also learns through a continuous process. Learning to it is not only for acquiring knowledge. It is also a

part of the job. Organization learns as they produce or render services. Here, learning is a weapon, which gives it a competitive advantage compared to other organizations (Senge, 1990).

Leadership Style : A Component of Learning Organization

Learning organization needs transformational leaders. According to Rolls (1995), the transformational leaders provide the critical set of conditions under which employees can unfold, transform, grow, and flourish in uncertainty. They model and teach the skills needed to build a learning organization. They do not delegate responsibility but they invite sub-ordinates to interpret the ideal future in terms of their roles and to determine how to close the gaps between current and future states. An organization's ability to learn, and translate that learning into action rapidly, is the ultimate competitive advantage (McWilliams and Stepanek, 1998). The traditional authoritarian image of the leader as the boss calling the shots has been recognized as oversimplified and inadequate for some time. According to Schein (1985), leadership is intertwined with culture formation. Building an organization's culture and shaping its evolution is the unique and essential function of leadership.

Leadership Style : A Conceptual Framework

The major features of leadership style, a component of learning organization, have been discussed below, in brief.

Shared Vision

Shared vision is one of the skills a learning organization must possess (Senge, 1990). Building shared vision is an on-going process. At any point in time, there will be a particular image of the future that is predominant but that image will gradually evolve. Official vision statements, which are very much in vogue today, often lack freshness and vitality. What is needed is an actual vision, reflecting genuineness and commitment. One of the roles of leaders in a learning organization is sharing vision. Leaders must be willing to share continually their own vision with others and ask them whether the vision is worthy of commitment.

Attitude of Leaders

Attitude can very well be defined as one of the major items of leadership. According to Rolls (1995), leaders owe people space, space in terms of freedom, and freedom in the sense of enabling one's gifts to be exercised, the need to give each other space to grow, to be oneself, to exercise one's diversity. Rolls (1995), while developing the transformational leadership model, shows that followership expectancy very well defines the attitude of leaders.

Collaborative Efforts

Brown and Duguid (1991) point to the roles of narration, collaboration, and social construction in learning, knowledge transfer, and interpretation of experience. And, here comes the need for collaborative efforts.

Shared Power

In the emerging mindset, a definite shift from the industrial mindset, the term coined as metanoia

(Senge, 1990), emphasizes on co-creating and participating rather than controlling through power. Sharing power is the most challenging role a leader plays while bringing this shift (Burke, 2002). Rolls (1995) argues that shared power is one of the major leadership competencies in a learning organization.

Type of Decision-making

Type of decision-making is considered as an important ingredient of leadership style. In learning organization, loose structure, empowerment and fluid communication are considered as important requirements. Decision-making is a task of leaders and the type of decision-making reveals to what extent leaders are taking care of the above requirements.

Emotional Intelligence

The new interest in systems thinking reflects a growing recognition that people's ability to grasp how the world works is limited and they need to learn special analytical techniques to help decipher real world dynamics (Senge, 1990). Emotional intelligence has been identified as one of the capabilities of a leader. It is a social skill, according to Goleman (2000), which is instrumental in developing others.

Goleman (2000) has shown the below-mentioned emotional skills of leaders which are indispensable to lead and they fall under the category of social awareness and social skill respectively.

- ◆ *Empathy*: Skill at sensing other persons' emotions, understanding their perspectives, and taking an active interest in their concerns
- ◆ *Developing others*: the propensity to bolster the abilities of others through feedback and guidance

Leadership Role

According to Senge (1990), leadership role is one of the important ingredients of leadership style.

Leaders should play the role of instructor, coach, and mentor to guide people *from* performance appraisal, technophobia, control, and functions *to* performance management, application of technology, empowerment, and process.

Personality Type of Leaders

According to Senge (1990), the power of guiding ideas derives from the energy released when imagination and aspiration come together. Understanding this power has always been a hallmark of effective leaders. The promise of learning organization is that this power will become deeply and widely embedded in a way that rarely, if ever, happens in traditional authoritarian organizations. In this context, (Senge, 1990a), says, achieving shifts in thinking, values, and behaviour among executives is not easy. The name of the game is giving up power. Even for enlightened executives, giving up power is difficult. The personality type of leaders reveals the traits of leaders and is considered as an important ingredient of leadership style.

Objectives of the Study

This study is based on the concept of learning organization which essentially challenges the prevailing assumptions on which traditional organizations operate. There is a strong view that this idea has a long-term solution to the problem of organizational adaptation.

The specific objectives of this study are stated below.

- ♦ to assess the presence and the extent of a component of learning organization, i.e., leadership style, in the sample organizations on the basis of its certain characteristic features,
- ♦ to assess the presence and the extent of the leverages/blockages in the sample organizations which affect positively/negatively the process of transition from a traditional organization to a learning organization,

Research Methodology

Sample Design

The population for the study has been taken as the top 500 organizations in India in a list published in the Dalal Street Investment Journal (June, 2005). A sample of 10% (see *Appendix C*) is drawn from the said list by using the *Random Number Tables* (Stockton and Clark, 1971). Thus, the sample constitutes 50 such organizations.

Data Sources

Secondary Data Sources

The annual reports and information available in the websites of the sample organizations have been used to prepare the brief profiles of the sample organizations.

Primary Data Sources

The initial contact with 50 such sample organizations was established by using an *Organization Overview Questionnaire* (see *Appendix A*) through which the willing organizations provided relevant information relating to them and the contact details for their executives. The Human Resource (HR) representative of the organization concerned was contacted at the next stage. It was found that, 30 out of 50 such sample organizations had expressed their willingness to participate in this exercise. Final data were collected from 10 out of 30 such sample organizations, which provided the relevant data necessary for the study. Due to unwillingness on their part, identity of the said 30 sample organizations could not be disclosed.

Selection of the Sample Executives

The term 'executive' has not been defined in this study as it is the discretion of the concerned organization as to whom it refers to as its executives. For carrying out an intensive study, it was decided to administer a structured questionnaire (see *Appendix B*) among the executives of 10 such sample organizations in and around Kolkata so that repeated communications could be made, if necessary. Representatives of the HR departments of the 10 such sample organizations supplied the lists of executives in and around Kolkata (7350 in number) from which a sample

of 735 executives (10% of the executive population in each such sample organization) was drawn by using the *Random Number Tables* (Stockton and Clark, 1971).

Table 1 : Selection of Sample Executives from 10 Sample Organizations

Organization	Segment	Executive Manpower in Kolkata (approx.)	No. of Sample Executives	No. of Sample Executives who provided complete information	Percentage of Sample Executives (approx.) who provided complete information
X _A	Petroleum	600	60	9	15
X _B	FMCG	350	35	11	31
X _C	Paints	250	25	11	44
X _D	Power	1,050	105	9	8.57
X _E	Banking	1,000	100	8	8
X _F	Insurance	980	98	11	11.22
X _G	FMCG	575	57	11	19.29
X _H	Banking	2,000	200	11	5.5
X _I	Software	200	20	7	35
X _J	Medicine	350	35	12	34.28
	Total	7,350	735	100	

Source : Worked out on the basis of secondary data

Data Collection

Out of 735 sample executives of 10 such sample organizations, only 100 sample executives provided complete information by responding to all the items in the questionnaire.

The reasons for non-availability of data are (i) scepticism of some sample executives, (ii) nature of information required to be provided was thought by some sample executives as confidential, (iii) busy schedule of some sample executives, and (iv) lack of understanding of the proper nature of the study on the part of some sample executives.

The said 10 sample organizations have been divided into two broad categories, viz., manufacturing and service. 5 *manufacturing* organizations and 5 *service* organizations were finally considered for the purpose of this study.

Scoring of the Items

In 3-point scaled items, 1 represents *most favourable* response, 2 represents *confusing* response, and 3 represents *most unfavourable* response. In 4-point scaled items, 1 represents *most favourable* response, 2 represents *moderately favourable* response, 3 represents *confusing* response, and 4 represents *most unfavourable* response. In 5-point scaled items, 1 represents *most favourable* response, 2 represents *moderately favourable* response, 3 represents *confusing* response, 4 represents *moderately unfavourable* response, and 5 represents *most unfavourable* response.

Hypothesis of the Study

Leadership style is better in the *service* organizations than in the *manufacturing* organizations.

Results

Results of the scores tabulated have been worked out in three parts.

- ♦ First, the *correlation* of each item with the *leadership style* as a whole is seen to appreciate how strong the relationship of each such item of *leadership style* is with the *leadership style* as a whole (*content validity*).
- ♦ Then *test of significance* is carried out by taking into consideration both the top 30% (*high-scoring*) sample executives and the bottom 30% (*low-scoring*) sample executives. The *t-value* of each such item indicates that the items can be considered for further investigation.
- ♦ The final part of the result considers the *difference in terms of mean* between the *manufacturing* category and the *service* category with respect to each such item.

Table 2 : Correlation between each Leadership Style Item and Leadership Style

Items Serial No.	Coefficient of correlation (r)
1	0.65
2	0.56
3	0.58
4	0.56
5	0.59
6	0.58
7a	0.57
7b	0.59
7c	0.63
7d	0.57
8	0.57
9	0.75

Source : Computed on the basis of the primary data

The *coefficients of correlation* have been observed to range between 0.56 to 0.75 and show *moderately high to high degree of correlation*.

The *leadership style* in case of both the *service* category and the *manufacturing* category, as per the results, has crossed the *neutral score* (23.5), implying a negative approach of the sample organizations in terms of *leadership style*. The score of the *manufacturing* category is 26.91 and the *service* category is 25.02, showing a negligible difference of 1.89 only. It, therefore, implies that there is huge scope for betterment in case of both the categories and they are still far from the ideal situation (*score 12*) but they are not absolutely ignorant about the importance of *leadership style* (*score 47*). Therefore, statistically, the hypothesis (i.e., *leadership style* is better in the *service* organizations than in the *manufacturing* organizations) is validated.

Item-wise Analysis

- ◆ **Item 1** reflects *shared vision*. The *manufacturing* category shows that the visions are not always shared in reality (*score 2.00*), whereas the *service* category shows a positive trend in terms of sharing vision (*score 1.41*).
- ◆ **Item 2** also reflects *shared vision*. But it has been observed that the *manufacturing* category does share visions in limited situations (*score 1.69*) and the *service* category has reached almost an ideal position (*score 1.08*).
- ◆ **Item 3** reflects *attitude of leaders*. The *scores* of both the *manufacturing* category and the *service* category imply that the *attitude of leaders* in the Indian organizations is still traditional and far behind the ideal position for becoming a *learning organization*. The *scores* for the *manufacturing* and *service* categories are 2.50 and 2.08 respectively.
- ◆ **Item 4** reflects *collaborative efforts*. The *scores* of both the categories lie in between *moderately favourable response* to *confused response* (*manufacturing* category: 2.23/ *Service* category: 2.41). The *scores* reveal that there is a mixed approach about *collaborative efforts* in case of both the categories.
- ◆ **Item 5** reflects *shared power*. The *score* of the *manufacturing* category lies in between *moderately favourable response* to *confused response* (2.69), whereas the *score* of the *service* category crosses the state of confusion and slowly proceeds towards *moderately unfavourable response* (3.08). The *scores* imply that the executives in the *Service* category do not always believe in sharing power.
- ◆ **Item 6** reflects *type of decision-making*. The *score* of the *manufacturing* category (2.02) shows that decisions are mostly taken through mutual discussions and highly decentralized decision-making has not yet been implemented. The *score* of the *service* category (1.89), however, does not imply a sound position but surely indicates a slightly better position than the *manufacturing* category.
- ◆ **Item 7a** reflects *attitude of leaders*. It has been observed that the *service* category has a positive attitude (almost ideal) towards employees' competence (*score 1.08*), whereas the *manufacturing* category is slowly moving towards a perfect condition (*score 1.42*).
- ◆ **Item 7b** represents *leadership role*. It has been observed that the role of leaders in retaining employees in the *service* category is a negative one (*score 3.08*). The *manufacturing* category is just a bit ahead (*score 2.96*).
- ◆ **Item 7c** reflects *shared vision*. The *service* category is more or less in a right track in terms of sharing vision (*score 2.04*), though they have not achieved the ideal position. The *manufacturing* category, on the other hand, is not far behind the *service* category (*score 2.53*).
- ◆ **Item 7d** reflects *emotional intelligence (EQ)*. The *service* category shows that the leaders do have a greater EQ (*score 1.87*) than the leaders of the *manufacturing* category (*score 2.31*).

Table 3 : Leadership Style in Manufacturing Organizations and Service Organizations

Leadership Style Items	Manufacturing		Service		t value*
	Mean (N=208)	Standard Deviation	Mean (N=192)	Standard Deviation	
1. Working as a team is not always important. (3-point scale)	2.00	0.96	1.41	0.76	53.07
2. It is not always necessary to communicate to the middle-order or the lower-order employees about the nature of and the need for change. (3-point scale)	1.69	0.86	1.08	0.27	15.25
3. Too much autonomy for implementing change leads to chaos and internal conflict. (3-point scale)	2.50	0.75	2.08	0.91	21.00
4. The attitude of workforce when a completely new and relatively complex project is taken (5-point scale)	2.23	1.15	2.41	1.19	31.67
5. Role of the top management in case of application of employees' knowledge while doing a non-routine/complex job (5-point scale)	2.69	1.23	3.08	1.15	130.00
6. Decisions regarding a change in the business plan that affects a particular local market (3-point scale)	2.02	0.77	1.89	0.73	130.00
7a. People do not possess adequate skills. (3-point scale)	1.42	0.74	1.08	0.27	11.33
7b. People are not definite about their future in the organization. (4-point scale)	2.96	1.02	3.08	1.04	24.00
7c. People do not adequately understand why there is change and exactly what is changing. (5-point scale)	2.53	1.15	2.04	0.93	37.69
7d. People do not enjoy changing the way of doing things. (4-point scale)	2.31	0.82	1.87	0.83	141.67
8. There is a need for change of roles on a regular basis at all levels. (4-point scale)	1.54	0.69	1.79	0.70	26.00
9. The interests of certain groups usually affect the process of change. (5-point scale)	3.00	1.30	3.16	1.46	16.70
Leadership Style as a whole	26.91	3.72	25.02	4.20	4.75

*Table Value (with 60 d.f.) at the 1% level of significance is ± 2.660 , indicating that all the items are significant. 30% of the high-scoring sample executives and 30% of the low-scoring sample executives have been taken into account.

Source : Worked out on the basis of the primary data

- ◆ **Item 8** reflects *personality type of leaders*. Both the categories represent *moderately favourable* response revealing the positive *personality type of leaders*. The score of the *Manufacturing* category is 1.54 and the score of the *Service* category is 1.79.
- ◆ **Item 9** reflects *leadership role*. The role of leaders in resolving conflict, at the time of change, in both the categories is not encouraging. It has been observed that the leaders are really confused about how to deal with internal conflict. The score of the *Manufacturing* category is 3.00 and the score of the *Service* category is 3.16.

Conclusion

So far as the *leadership style* component of *learning organization* is concerned, *attitude of leaders* and *sharing power* are showing a negative bend in the large Indian organizations (irrespective of the *manufacturing* category or the *service* category). The *role of leaders* in resolving conflict, at the time of change, in case of both the categories (i.e., *Manufacturing* and *Service*), is not encouraging. However, the *service* category shows a positive approach in terms of *sharing vision, emotional intelligence, and collaborative efforts*.

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Appendix A

Organization Overview Questionnaire

Name of the Organization

Head Office Address

Tel./Fax/e-mail id

Nature of Business:

Sector

Public/Private/Joint

Operation

Local/National/Multinational/Global

Capital Employed

Revenue

Return on Investment

Manpower Employed

Appendix B

Questionnaire

Part A

Respondent's Profile:

Name :

Designation :

Age :

Qualification(s) : (1) Academic

(2) Professional

Level in the organization :

Senior	Middle	Junior
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Length of service in the present organization

at the present level :

Length of service in other organizations

at the present level :

Nature of job(s) :

The range of compensation (Rs. in lakh) per annum :

4 to below 6	6 to below 8	8 to below 9	9 to below 10	10 or above
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Part B

1. Working as a team is not always important.

Agree	Undecided	Disagree
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2. It is not always necessary to communicate to the middle-order or the lower-order employees about the nature of and need for change.

Agree	Undecided	Disagree
-------	-----------	----------

3. Too much autonomy for implementing change leads to chaos and internal conflict.

Agree	Undecided	Disagree
-------	-----------	----------

4. Attitude of the workforce when a completely new and relatively complex project is taken.

Total Resistance	Slowly coming to terms	Gives Conditions for acceptance	Accepts in an Indifferent Way	Total Commitment
------------------	------------------------	---------------------------------	-------------------------------	------------------

5. Role of the top management in case of application of employees' knowledge while doing a non-routine/complex job?

Please rank the statements below in order of importance.

<p>i. The top management allows application of knowledge irrespective of the level of the employee concerned.</p> <p>ii. The top management goes through the past records of the employee concerned to see whether she/he really deserves this opportunity.</p> <p>iii. The top management encourages application of knowledge irrespective of the level and experience of the employee.</p> <p>iv. The top management tests the knowledge through simulated events and then gives her/him the opportunity to apply the knowledge.</p> <p>v. The top management follows the feedback from the higher levels to assess the employee's proper capabilities.</p>

6. Decisions regarding a change in the business plan that affects a particular local market

Highly centralized manner	Through mutual discussion	Highly decentralized manner
---------------------------	---------------------------	-----------------------------

7. How does the top management deal with the following aspects or situations?

- ♦ A) People do not possess adequate skills.

Sacked	Upgraded through training	Retained
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- ♦ B) People are not definite about their future in the organization.

Please rank the statements below in order of importance.

- | |
|--|
| i. They are formally communicated. |
| ii. They are informally communicated. |
| iii. The immediate boss holds informal meetings with them to discuss the issues. |
| iv. There is a platform for all the employees to interact with the top management. |

- ♦ C) People do not adequately understand why there is change and exactly what is changing.

Please rank the statements below in order of importance.

- | |
|--|
| i. They do not have to know everything that is going on within the organization. |
| ii. They should know what is changing, if only it affects their own job structure. |
| iii. They should know about the change, if it is happening in the division(s)/ department(s) which is/are associated with their own division/department. |
| iv. Irrespective of the above conditions, people should know about the change. |
| v. The top management follows certain mechanisms to make people aware of the change so that they can adapt to it better. |

- ♦ D) People do not enjoy changing the way of doing things.

Please rank the statements below in order of importance.

- | |
|---|
| i. The top management allows them doing things in the same way. |
| ii. The top management tries to make them understand why change is necessary. |
| iii. The top management has informal ways to motivate them. |
| iv. There are some well-developed techniques which the top management follows to change people's behaviour. |

8. There is a need for change of roles on a regular basis at all levels.

Agree	Not always necessary	At times it is necessary	Disagree
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9. The interests of certain groups usually affect the process of change.

Agree	Very often	To some extent	Not always	Disagree
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Appendix C

List of 50 organizations

Name	NSE Rank
1. Oil & Natural Gas Corporation	1
2. Tata Motors	11
3. Housing Development Finance Corporation	13
4. Hero Honda Motors	15
5. Punjab National Bank	23
6. Nestle India	27
7. Indian Petrochemicals Industries	41
8. Asian Paints	44
9. Reliance Energy	45
10. Tata Chemicals	50
11. NTPC	52
12. Sun Pharmaceutical Industry	55
13. Indian Hotels Company	60
14. Dr Reddy's Laboratories	65
15. Britannia Industries	66
16. UTI Bank	72
17. Tata Tea	74
18. Hindalco Industries	79
19. Castrol India	82
20. Videocon Industries	89
21. Bharat Petroleum Corporation	92
22. Bharat Forge	97
23. Procter & Gamble Hygiene & Healthcare	99
24. LIC Housing Finance	102
25. Engineers India	104
26. Glaxo Smithkline Consumer Health Care	106
27. Marico	109
28. Dabur India	115
29. IDBI	129

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30. Patni Computer Systems	137
31. GTL	144
32. Kesoram Industries	159
33. Merck	180
34. Indiabulls Financial Services	196
35. Gokaldas Exports	202
36. Shree Cements	218
37. United Phosphorus	230
38. Hinduja TMT	241
39. Alok Industries	255
40. Petronet LNG	277
41. Kotak Mahindra Bank	285
42. NIIT Technologies	287
43. Forbes Gokak	294
44. Emami	313
45. Hindustan Copper	388
46. Aarti Industries	367
47. Bajaj Auto Finance	381
48. CCL Products India	389
49. Upper Ganges Sugar Industries	395
50. S Kumars Nationwide	397